

House File 2339

H-8282

1 Amend House File 2339 as follows:
2 1. Page 11, after line 7 by inserting:
3 <Sec. _____. Section 514E.1, Code 2011, is amended by
4 adding the following new subsection:
5 NEW SUBSECTION. 12A. "HIPIOWA-FED" means the
6 limited liability company organized by the association
7 for the purposes of administering the state of Iowa
8 temporary high-risk insurance pool program pursuant to
9 a contract with the United States department of health
10 and human services.
11 Sec. _____. Section 514E.2, subsection 2, Code 2011,
12 is amended by striking the subsection and inserting in
13 lieu thereof the following:
14 2. a. The board of directors of the association
15 shall consist of seven voting members and seven
16 nonvoting members. The voting members shall be
17 appointed by the governor, subject to confirmation by
18 the senate. The governor shall designate one voting
19 member as chairperson and one as vice chairperson.
20 b. The voting members of the board of directors
21 shall be appointed by the governor as follows:
22 (1) Two persons who represent the interests of
23 small business from nominations made to the governor
24 by nationally recognized groups that represent the
25 interests of small business.
26 (2) Two persons who represent the interests of
27 consumers from nominations made to the governor
28 by nationally recognized groups that represent the
29 interests of consumers.
30 (3) One person who is an insurance producer
31 licensed under chapter 522B.
32 (4) One person who is a health care actuary or
33 economist with expertise in health insurance.
34 (5) One person who is a health care provider.
35 c. The nonvoting members are as follows:
36 (1) The commissioner or the commissioner's
37 designee.
38 (2) The director of human services or the
39 director's designee.
40 (3) The director of public health or the director's
41 designee.
42 (4) Four members of the general assembly,
43 one appointed by the speaker of the house of
44 representatives, one appointed by the minority leader
45 of the house of representatives, one appointed by the
46 majority leader of the senate, and one appointed by the
47 minority leader of the senate.
48 d. Meetings of the board of directors shall be held
49 at the call of the chairperson or upon the request of
50 at least two voting members. Four voting members shall

1 constitute a quorum and the affirmative vote of four
2 voting members shall be necessary for any action taken
3 by the board.

4 e. The voting members of the board of directors
5 shall be appointed for staggered terms of three years
6 within sixty days after the effective date of this
7 section of this Act and by December 15 of each year
8 thereafter. The initial terms of the voting members
9 of the board shall be staggered at the discretion
10 of the governor. A voting member of the board is
11 eligible for reappointment. The governor shall fill a
12 vacancy on the board in the same manner as the original
13 appointment for the remainder of the term.

14 f. Members of the board may be reimbursed from the
15 moneys of the association for expenses incurred by them
16 as members, but shall not be otherwise compensated by
17 the association for their services.

18 Sec. _____. Section 514E.2, subsection 4, Code 2011,
19 is amended to read as follows:

20 4. a. The plan of operation may provide that the
21 powers and duties of the association may be delegated
22 to a person who will perform functions similar to those
23 of the association. A delegation under this section
24 takes effect only upon the approval of both the board
25 of directors and the commissioner. The commissioner
26 shall not approve a delegation unless the protections
27 afforded to the insured are substantially equivalent to
28 or greater than those provided under this chapter.

29 b. A delegation made to a person pursuant to
30 this subsection shall be subject to annual review
31 by the government oversight standing committees of
32 the general assembly. Within sixty days after the
33 effective date of this section of this Act and annually
34 thereafter, any person to whom the powers and duties of
35 the association have been delegated pursuant to this
36 subsection shall submit a report to the government
37 oversight committees setting forth the following:

38 (1) The scope of the functions performed by the
39 person.

40 (2) Any contractual provisions between the person
41 and the association or between the person and any other
42 entity on behalf of the association.

43 (3) An accounting of the activities and services
44 performed by the person on behalf of the association.

45 (4) An accounting of all payments made to the
46 person by the association, including but not limited to
47 an itemization of the services rendered and the amount
48 of each payment apportioned to the performance of each
49 activity or service.

50 (5) Any other information requested by the board

1 of directors of the association, the commissioner of
2 insurance, or the government oversight committees.

3 Sec. _____. Section 514E.2, Code 2011, is amended by
4 adding the following new subsection:

5 NEW SUBSECTION. 5A. The association shall accept
6 third-party payment of premiums for an individual
7 enrolled in health insurance coverage from the
8 association.

9 Sec. _____. Section 514E.2, subsection 7, Code 2011,
10 is amended by adding the following new paragraph:

11 NEW PARAGRAPH. 0b. Following the close of each
12 calendar year, HIPIOWA-FED shall determine the net
13 premiums and payments, the expenses of administration,
14 and the incurred losses of the program for the year.
15 HIPIOWA-FED shall certify the amount of any net loss
16 for the preceding calendar year to the commissioner of
17 insurance and director of revenue and to the United
18 States department of health and human services. In the
19 event that additional federal funding is not provided
20 to HIPIOWA-FED to offset the loss, the loss shall be
21 assessed by the association on behalf of HIPIOWA-FED to
22 all members of the association in proportion to their
23 respective shares of total health insurance premiums
24 or payments for subscriber contracts received in Iowa
25 during the second preceding calendar year, or with paid
26 losses in the year, coinciding with or ending during
27 the calendar year or on any other equitable basis as
28 provided in the plan of operation of the association
29 or as required by the United States department of
30 health and human services. In sharing losses, the
31 association, on behalf of HIPIOWA-FED, may abate or
32 defer in any part the assessment of a member, if, in
33 the opinion of the board of the association, payment
34 of the assessment would endanger the ability of the
35 member to fulfill its contractual obligations. The
36 association, on behalf of HIPIOWA-FED, may also provide
37 for an initial or interim assessment against members of
38 the association if necessary to assure the financial
39 capability of HIPIOWA-FED to meet the incurred or
40 estimated claims expenses or operating expenses of the
41 temporary high-risk insurance pool program until the
42 next calendar year is completed. Net gains, if any,
43 must be held at interest to offset future losses or
44 allocated to reduce future premiums.

45 Sec. _____. Section 514E.2, Code 2011, is amended by
46 adding the following new subsections:

47 NEW SUBSECTION. 12A. The association shall be
48 considered a governmental body for purposes of chapter
49 21 and a government body for purposes of chapter 22.
50 A person to whom the association delegates the duties

1 and powers of the association shall be considered a
2 governmental body for purposes of chapter 21 and a
3 government body for purposes of chapter 22 to the
4 extent that the person carries out the powers and
5 duties of the association.

6 NEW SUBSECTION. 12B. HIPIOWA-FED shall be
7 considered a governmental body for purposes of chapter
8 21 and a government body for purposes of chapter 22.

9 A person to whom the duties and powers of the limited
10 liability company are delegated shall be considered
11 a governmental body for purposes of chapter 21 and
12 a government body for purposes of chapter 22 to the
13 extent that the person carries out the powers and
14 duties of the limited liability company.

15 Sec. _____. Section 514E.7, subsection 5, paragraph
16 d, Code 2011, is amended by striking the paragraph.

17 Sec. _____. Section 514J.103, subsection 1, Code
18 Supplement 2011, is amended to read as follows:

19 1. Except as provided in subsection 2, this chapter
20 shall apply to all health carriers, including health
21 carriers issuing a policy or certificate that provides
22 coverage for dental care.

23 Sec. _____. Section 514J.103, subsection 2, paragraph
24 a, Code Supplement 2011, is amended to read as follows:

25 a. A policy or certificate that provides coverage
26 only for a specified disease, specified accident or
27 accident-only, credit, disability income, hospital
28 indemnity, long-term care, ~~dental care~~, vision care, or
29 any other limited supplemental benefit.>

30 2. Page 16, after line 17 by inserting:

31 <Sec. _____. REQUEST FOR AMENDMENT OF CONTRACT
32 PROVISIONS BY HIPIOWA-FED. Within thirty days after
33 enactment of the sections of this Act amending sections
34 514E.1 and 514E.2, HIPIOWA-FED, the limited liability
35 company organized by the Iowa comprehensive health
36 insurance association for the purpose of administering
37 the state of Iowa temporary high-risk insurance pool
38 program pursuant to a contract with the United States
39 department of health and human services, shall request
40 that the United States department of health and human
41 services amend the requirements of the contract between
42 HIPIOWA-FED and the department to allow HIPIOWA-FED
43 to accept third-party payment of premiums for an
44 individual enrolled in the program.>

45 3. Page 16, after line 21 by inserting:

46 <2. The section of this Act amending section
47 514E.1.

48 3. The sections of this Act amending section
49 514E.2.>

50 4. By renumbering as necessary.

PETTENGILL of Benton